

**MINUTES
REGULAR MEETING
UTILITY SERVICE BOARD
SEPTEMBER 17, 2012**

The Regular Meeting of the Utility Service Board of the City of Jasper, Indiana, was held in the Council Chambers of City Hall in Jasper at 7:00 PM on Monday, September 17, 2012.

The meeting was called to order by Chairman Wayne Schuetter.

UPON CALL OF THE ROLL, THE FOLLOWING WERE PRESENT:

Wayne Schuetter – Chairman
Rick Stradtner – Vice Chairman
Mike Harder – Secretary
Doug Schulte – Water Commissioner
Greg A. Krodel – Gas Commissioner
Ken Sendelweck – Electric Commissioner
Alex Emmons – Wastewater Commissioner

ALSO PRESENT:

Jerry Schitter – Electric Distribution Manager
Windell Toby – Electric Generation Manager
Mike Oeding – Gas & Water Manager
Ed Hollinden – Wastewater Manager
Bud Hauersperger – General Manager
Ashley Kiefer – Office Manager
Renee Kabrick – City Attorney

PLEDGE OF ALLEGIANCE (DVD-00:40)

Chairman Wayne Schuetter led the Pledge of Allegiance.

QUOTE OPENING: EMERGENCY GENERATOR UPGRADE – WASTEWATER
(DVD-01:02)

Chairman Schuetter asked if there were any other bids to be submitted. Ed Hollinden stated that four requests for quotes were sent out but only one quote was received. Bud Hauersperger opened the quote and read it aloud as follows:

1. Evapar \$90,955.00
Evansville, IN

The quote included a non-collusion affidavit, E-verify form and an Affidavit Regarding Nonresponsibility.

Ed Hollinden asked permission to take the quote under advisement. Alex Emmons made a motion to approve Hollinden's request to take the quote under advisement. Rick Stradtner seconded the motion. Motion approved, 7-0.

APPROVAL OF MINUTES (DVD-03:15)

Chairman Wayne Schuetter presented the minutes of the August 20, 2012 Regular Meeting, August 20, 2012 Public Hearing, and the September 10, 2012 Special Joint Meeting and there being no corrections or amendments, asked for a motion to approve the minutes. Rick Stradtner made a motion to approve the minutes of the August and September meetings as presented. Mike Harder seconded the motion. Motion approved, 7-0.

JASPER CLEAN ENERGY MONTHLY REPORT (DVD-04:15)

Bud Hauersperger explained the Jasper Clean Energy monthly report for August to the Board. The only changes this month were to the Power Sales Agreement section. Jasper Clean Energy will not be submitting a proposal to Kentucky Power Cooperative. Also, the Jasper project was not large enough to meet the minimum size requirement of the Indianapolis Power and Light RFP. Jasper Clean Energy is still seeking power purchasers.

ELECTRIC PLANNING COMMITTEE REPORT (DVD-05:24)

Ken Sendelweck, Chairman of the Electric Planning Committee, stated the committee did meet on August 29, 2012. The Committee reviewed and discussed the draft for the RFP's for the Heidorn Property lease. The draft was approved at the September 10th Special Joint meeting. The RFP's have been mailed out and posted on the City website. The return deadline for the RFP's is October 12th. They will be considered at the October 15th Utility Service Board meeting. Upon acceptance, the RFP will be approved in November and the final process completed by December.

Hauersperger stated that twelve emails were sent out along with an ad posted in the Herald and on the website. Sendelweck stated that the RFP's have been sent directly to Duke, Vectren, and Hoosier Energy.

UPDATE ON NORTH WATER TOWER PROJECT (DVD-07:28)

Mike Oeding stated that he received an e-mail from Midwestern Engineering today regarding inspection fees for \$1,016.21 as of last week. Oeding has also received daily reports and pictures of the project. The containment system is ready and possibly sandblasting will start tomorrow if weather cooperates. The project is progressing well.

UPDATE ON 3RD AVENUE WATER MAIN REPLACEMENT PROJECT (DVD-08:49)

Mike Oeding informed the Board that the EDA grant application was mailed on Thursday, in time for their review. Chairman Schuetter informed the Board that a meeting was held last week with Hauersperger, Mayor Seitz, Lisa Gehlhausen, Renee Kabrick, and himself concerning the grant application. It was explained that at the time the project began, the possibility of obtaining

grant funds was unknown. Midwestern Engineering was initially hired to work on the project and a contract was entered into with Midwestern Engineering.

Since that time, the City has been made aware of the possibility of obtaining grant funds to assist in the cost of the project. However, the City has also been made aware of the need to conduct a Quality Based Search for an engineering firm IF the City intends to use grant funds to pay for engineering services. Therefore, inclusion of the engineering costs in the grant application is not practical, as this could delay the project during the selection phase, and we have already entered into a contract with Midwestern Engineering. Furthermore, the City has already started working with Midwestern Engineering on the project, and therefore they are better suited to continue the project. The project is time sensitive and the Utility portion needs to be completed by this winter so the repaving portion can begin on time.

As a result of withdrawal of the engineering costs from the grant application, the Utilities and the City will be required to pay the engineering costs totaling approximately \$50,000. The grant proceeds will still total in excess of \$600,000, to be applied toward other project costs. In the event that the grant application is denied, Midwestern Engineering will deduct “extra” costs associated with the grant from its engineering charges.

Chairman Schuetter suggested withdrawing the engineering costs from the EDA grant application and continuing to work with Midwestern Engineers on the project.

Doug Schulte made a motion to remove the engineering costs from the EDA grant application and to approve Utilities to pay the engineering costs. Alex Emmons seconded the motion. Motion approved, 7-0.

UPDATE ON BEAVER LAKE DAM PROJECT (DVD-13:29)

Oeding explained to the Board that Christopher Burke Engineering informed Force Construction that the seedlings need to go dormant before planting. Therefore, the trees will not be planted until late October. The project will be closed out after the trees are planted.

1ST SLUDGE DISPOSAL USING NEW METHOD SCHEDULED FOR FALL (DVD-14:49)

Oeding informed the Board that Lechner Excavating has started piling sludge for land application this fall.

EMERGENCY WATER DECLARATION (DVD-15:04)

Oeding informed the Board that the recent rainfall did not change the status of the Emergency Water Declaration. The City is still asking for an additional 5 cfs from Patoka Lake.

GAS PLANNING COMMITTEE REPORT (DVD-15:37)

Greg Krodel, Chairman of the Gas Planning Committee, stated the committee did not meet during the past month.

WATER PLANNING COMMITTEE REPORT (DVD-15:42)

Doug Schulte, Chairman of the Water Planning Committee, stated the committee did not meet during the past month.

CHANGE-ORDER FOR NORTHSIDE SEWER PROJECT (DVD-15:47)

Ed Hollinden said Chad Hurm, City Engineer, had done his internal review of the change –order and is still trying to contact ISI about it. The change-order will be brought to the meeting in October.

WASTEWATER PLANNING COMMITTEE REPORT (DVD-16:08)

Alex Emmons, Chairman of the Wastewater Planning Committee, stated the Committee did not meet during the past month.

WATER RATE STUDY (DVD-16:30)

Bud Hauersperger informed the Board that a Water rate study will be starting on Friday. Umbaugh will be performing the Water rate study.

WASTEWATER RATE STUDY (DVD-16:42)

Hauersperger said Umbaugh has finished the draft on the Wastewater rate study. A Wastewater Committee meeting needs to be scheduled for the next week. He will have Ashley Kiefer contact the Committee members to schedule the meeting.

RESOLUTION RECOMMENDING SALARIES & WAGES FOR 2013 (DVD-18:08)

Hauersperger presented Resolution USB 2012-16, recommending salaries and wages for 2013, to the Board. The Resolution states that an increase of 1.5% for full-time salaried and hourly positions, and a \$10/week increase for stand-by pay.

Emmons asked if a wage rate study was going to be done in the near future. Emmons did not feel like 1.5% was enough of a wage increase. Chairman Schuetter stated that he agreed and that a wage rate study needed to be done early next year. Schuetter said that the total compensation and benefits package needs to be addressed and not just hourly wages. The City Utilities needs to become competitive with other Utilities and there are several employee retirements approaching.

Ken Sendelweck made a motion to approve Resolution USB-2012-16, recommending salaries and wages for utility employees for the year 2013, at the recommendation of the Mayor and approval of the Common Council. Rick Stradtner seconded the motion. Motion approved, 7-0.

FINANCE COMMITTEE REPORT (DVD-21:47)

Mike Harder reported the Finance Committee had met and reviewed the claims on the Claim Docket.

The Finance Committee recommended approval of the claims as presented.

Alex Emmons made a motion to approve the claims as presented. Doug Schulte seconded the motion. Motion approved, 7-0.

There being no further business to come before the Board, the meeting was adjourned at 7:24PM upon motion by Ken Sendelweck and second by Alex Emmons. Motion approved, 7-0.

The minutes were hereby approved _____ with X without corrections this _____ day of _____, 2012.

Attest: _____
Secretary Chairman